

**ADJUSTMENT BUDGET AND SUPPORTING
DOCUMENTATION
2013/2014**



OF
MADIBENG LOCAL MUNICIPALITY

**CONTENT AND FORMAT OF
ADJUSTMENT BUDGET DOCUMENT**

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List of acronyms

IDP	Integrated Development Plan
CRR	Capital Replacement Reserve
GAAP	Generally Accepted Accounting Principles
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognized Accounting Practice
DHLG	Department of Housing and Local Government
MFMA	Municipal Finance Management Act
SDBIP	Service Delivery and Budget Implementation Plan
CPIX	Consumer Price Index
FBS	Free Basic Services
GDP	Gross Domestic Product
MIG	Municipal Infrastructure Grant
BEE	Black Economic Empowerment
SMME	Small Medium and Micro Enterprises
LED	Local Economic Development
DPLG	Department of Provincial and Local Government
DWA	Department of Water Affairs
DORA	Division of Revenue Act
MTREF	Medium Term Revenue and Expenditure Framework
KPA	Key Performance Area
KPI	Key Performance Indicator
MSA	Municipal Systems Act
PMS	Performance Management System
PPP	Public Private Partnership
DBSA	Development Bank of South Africa
DM	District Municipality
SALGA	South African Local Government Agency
SETA	Sectoral Education and Training Authority
HDI	Historically Disadvantaged Individuals
CDW	Community Development Worker
EPWP	Extended Public Works Programme
NERSA	National Energy Regulator of South Africa
MSIG	Municipal Systems Improvement Grant
NDPG	Neighbourhood Development Partnership Grant
INEG	Integrated National Energy Grant
MM	Municipal Manager

2. MAYOR'S REPORT

Speech by the Executive Mayor, Cllr MF MANGOATHE during tabling of the 2013/2014 Adjustment Budget

Hounarable Speaker, Cllr D Maimane , Chief Whip of Council Cllr S Klaas: , Members of the Mayoral Committee, Wards Councillors, Acting Municipal Manager and Members of the Senior Management, Community members, the Business fraternity, Friends from the media, Ladies and gentlemen

Budget adjustment

it is with great pleasure that I present the 2013/2014 Adjustment Budget to Council for approval. I am pleased to announce that our budget complies with the latest budget regulations, for which I must thank the Acting Municipal Manager and his team for tremendous effort.

The proposed budget adjustment of Madibeng Local municipality totals R 1, 459, 416,527 comprising of R 1, 212, 010, 527 for Operating expenditure and R247, 406, 000 for Capital expenditure.

The revenue budget decreases from R1 219 454 402 to R1 212 010 762 which make the total decrease on revenue budget by R7 443 640. Decrease on Revenue is due to corrections on grants revenue to an amount of R 11 050 000(Disaster and Fire grant R2 400 000 and Dwa grant R8 650 000) which were incorrectly allocated as operational grants instead of Capital grant revenue.

Some income source has increase due to them not being budgeted for but we have received cash from those sources and also some have received cash that exceeds the approved budget, service such as electricity reconnection fees, town planning related services these amounts.

The expenditure budget decreases from R1 219 454 167 to R1 212 010 527 which makes the total of R 7 443 604 plus 2 930 000 which is the correction of PMU operational grant, thus a surplus of R -235.

Repairs and maintenance has increased by R 5 342 000 and contracted services has also been increased by R5 370 000 to fund possible shortfall on waste removal services. General Expenses comprises of various line items relating to the daily operations of the municipality and it has decreased by R 25 585 640.

Capital projects funded from operations were increased by R10 000 000, being R2 000 000 for furniture and Office Equipment, R3 000 000 for Fleet which will be paid from the auction revenue that was done in June 2011, R 1 800 000 for Brits municipal substation and R 3 200 000 for Transformer that exploded and the insurance will pay for the repair.

Also the capital projects funded from the departments amounts to R20 450 000 being R2 573 000 (R2 000 000 for capital projects and R573 000 operational budget) from EPWP, R3 000 000 for electrical projects and is funded by INEP, R3 100 000 for Fire Engines, R1 500 000 for Disaster IT system, R800 000 for Car Wash and R400 000 for Library and they are funded by NWPG and R8 650 000 for Refurbishment of DWA Networks and is funded by DWA.

There is thus no change in the MIG funding and funds were only transferred between projects that are already registered.

In conclusion

May I thank our Acting Municipal Manager, Chief Financial Officer and her staff and all HODs, for devoting so much time and energy to the task of compiling the 2013/2014 Adjustment budget.

3. COUNCIL RESOLUTIONS (ITEM A.0485) 25 FEBRUARY 2014

RESOLVED

1. That cognisance be taken:
 - 1.1. Of Sections 28(2) and 69(2) of the Municipal Finance Management Act, 2003 (Act No 56 of 2003), regarding the handling of Budget Adjustments;
 - 1.2. that the MFMA does not provide for public participation with regard to the approval of an adjustment budget, as the adjustments are done under unexpected or unforeseeable circumstances which could not be avoidable; and
 - 1.3. of the fact that additional expenditures were unforeseeable and unavoidable.
2. That the R678 009 unauthorised expenditure of the Late Former President Nelson Rolihlahla Mandela state funeral public viewing be approved.
3. That the R365 663 unauthorised expenditure of the community members' funeral of Mothutlung be approved.
4. That the R11 691 166 expenses accrued from 2012/13 financial year be approved.
5. That the Budget Adjustment, attached as **ANNEXURES A, B and C**, to the report, be adopted.
6. That the Budget Adjustment be submitted to Provincial and National Treasury as required by MFMA.

APPROVED

SPEAKER: CLR DS MAIMANE

4. EXECUTIVE SUMMARY

1. Overview of the adjustment budget

The proposed budget adjustment of Madibeng Local municipality totals R 1, 459, 416,527 comprising of R 1, 212, 010, 527 for Operating expenditure and R247, 406, 000 for Capital expenditure (see table 1 below).

Operating budget is funded from own revenue of R 892 329 500 and operating grant and subsidies of R 289 843 000. Capital budget of R 8, 500, 000 will be funded from own operating revenue and grants and subsidy to the tune of R 210,132, 000.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2012/13 Budget Adjustment :

Table 1.Consolidated Overview of the adjustment budget

DESCRIPTION	Original Budget	Adjusted Budget	Difference
	R	R	R
Operating Revenue	1 219 454 402	1 212 010 762	7 443 640
Operating Expenditure	1 219 454 167	1 212 010 527	7 443 640
Surplus/Deficit	235	235	-
Capital Budget	221 956 000	247 406 000	25 450 000
Total Expenditure Budget	1 441 410 167	1 459 416 527	18 006 360

2. Operating revenue

The following table is a summary of the 2013/14 Budget Adjustment (classified by main revenue source):

Table 2 Revenue

Expenditure Items	Approved Budget	YTD Received	Proj Inc/Exp	Adjustment	Adjusted
	2013/14	Dec-13	Jun-14		Budget
	R	R	R	R	R
Property Rates	311 830 764	155 336 329	310 672 658	-	311 830 764
Service Charges:					
Electricity	368 677 175	172 629 712	345 259 424	-	368 677 175
Water	81 503 106	50 902 722	101 805 444	-	81 503 106
Sewerage	21 771 956	11 594 250	23 188 500	-	21 771 956
Refuse Removal	23 544 539	12 026 850	24 053 699	-	23 544 539
Bulk Services Contribution		371 045	742 090	372 000	372 000
Other Income	145 266 862	46 443 771	92 887 543	3 234 360	148 501 222
Less : Revenue Foregone	(60 600 000)	(60 433 950)	(120 867 901)	-	(60 600 000)
Internal Operating Revenue	891 994 402	388 870 728	777 741 456	3 606 360	895 600 762
Grants and Subsidies	327 460 000	196 427 912	316 410 000	(11 050 000)	316 410 000
Total Operating Revenue	1 219 454 402	585 298 640	1 094 151 456	-7 443 640	1 212 010 762

The increase on Other Income and Bulk Service Contribution is due to some income source not being budgeted for, but we have received cash from those sources hence we are adjusting the Budget. Operating grants and transfers decrease due to corrections of R 11 050 000(Disaster and Fire grant R2 400 000 and Dwa grant R8 650 000) which were incorrectly allocated as operational grants instead of Capital grant revenue.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 3 Operating Transfers and Grant Receipts

Expenditure Items	Approved Budget	YTD Received	Proj Inc/Exp	Adjustment	Adjusted
	2013/14	Dec-13	Jun-14		Budget
	R	R	R	R	R
Equitable share	308 470 000	181 837 912	271 382 248		308 470 000
Financial Management Grant	1 550 000	1 550 000	1 550 000		1 550 000
Municipal System Improvement Grant	890 000	890 000	890 000		890 000
PMU Grant Operational(MIG)	3 500 000	3 500 000	3 500 000		3 500 000
HRSETA	2 000 000		2 000 000		2 000 000
DWA Operating and Maintenance	8 650 000	8 650 000		(8 650 000)	-
Fire and Emergency Grant in aid (Fire Services)	2 100 000		2 100 000	(2 100 000)	-
Disaster Management	300 000		300 000	(300 000)	-
Total Operating Grants and Subsidies	327 460 000	196 427 912	281 722 248	(11 050 000)	316 410 000

3. Operating Expenditure

Madibeng Local Municipality's expenditure framework for the 2013/14 budget adjustment is informed by the following:

- Repairs and maintenance backlogs;
- Balancing the budget (operating expenditure should not exceed operating revenue unless there are existing uncommitted cash-backed reserves to fund any deficit);
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme and backlog eradication; and
- Funding the capital budget and other core services by operational gains and efficiencies.

The following table is a high level summary of the 2013/14 budget Adjustment (classified per main type of operating expenditure):

Table 4 Summary of operating expenditure by standard classification item

Description	Approved Budget	YTD Expenditure	Proj Inc/Exp	Adjustment	Adjusted
	2013/14	Dec-13	Jun-14		Budget
	R		R	R	R
Employee Related Expenses	288 399 936	139 515 557	279 031 113	-	288 399 936
Remuneration of Councillors	24 497 971	11 437 675	22 875 350	-	24 497 971
Bad Debts Provision	185 000 000	68 058 374	136 116 748	-	185 000 000
Depreciation	40 400 000	-	-	-	40 400 000
Repair & Maintenance	44 865 000	21 121 069	42 242 138	5 342 000	42 607 000
Interest : External Borrowing	10 000 000	19 237 655	38 475 310		10 000 000
Bulk Purchases	366 000 000	230 560 491	461 120 982	12 500 000	378 500 000
Contracted Services	105 900 000	51 589 271	103 178 541	5 370 000	120 520 000
Assistance to Indigents	16 000 000	2 422 062	4 844 124	(11 000 000)	5 000 000
General Expenses	138 391 260	52 764 621	105 529 241	(22 585 640)	117 085 620
Total Operating Expenditure	1 219 454 167	596 706 773	1 193 413 547	(10 373 640)	1 212 010 527

Repairs and maintenance has increased by R 5 342 000 and contracted services has also been increased by R5 370 000 to fund possible shortfall on waste removal services. General Expenses comprises of various line items relating to the daily operations of the municipality and it has decreased by R 25 585 640.

4. Capital Budget

The following table provides a breakdown of proposed adjustment budget capital expenditure by vote:

Table 5 Summary of proposed capital budget

	Original Budget	Adjustment	Proposed Adjustment Budget
FUNDING SOURCES	R	R	R
Water and sanitation	88 106 000	-4 083 079	84 022 921
Electricity	3 000 000	7 500 000	10 500 000
Roads	57 050 000	1 100 000	58 150 000
Solid waste	10 500 000	3 700 000	14 200 000
Parks, sports and recreational facilities	63 300 000	6 233 079	69 533 079
Fire and Disaster		6 000 000	6 000 000
Fleet		3 000 000	3 000 000
Furniture		2 000 000	2 000 000
TOTAL CAPITAL EXPENDITURE	221 956 000	25 450 000	247 406 000

5. ADJUSTMENT BUDGET TABLES

The budget adjustment schedule contains the ten main budget adjustment tables as required in terms of section 28 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2013/14 budget adjustment. Each table is accompanied by *explanatory notes*. Budget schedules is attached as "Annexure "

(Table B1) – Adjustment Budget Summary

Description R thousands	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	251 231	–	–	–	–	–	–	–	251 231	328 670	346 418
Service charges	512 073	–	–	–	–	–	372	372	512 445	549 036	588 729
Investment revenue	10 304	–	–	–	–	–	–	–	10 304	10 839	11 355
Transfers recognised - operational	327 460	–	–	–	–	–	(11 050)	(11 050)	316 410	388 092	481 062
Other own revenue	118 387	–	–	–	–	–	3 234	3 234	121 621	116 304	120 980
Total Revenue (excluding capital transfers and contributions)	1 219 454	–	–	–	–	–	(7 444)	(7 444)	1 212 011	1 392 940	1 548 543
Employee costs	288 400	–	–	–	–	–	–	–	288 400	321 934	355 280
Remuneration of councillors	24 498	–	–	–	–	–	–	–	24 498	25 747	27 009
Depreciation & asset impairment	40 400	–	–	–	–	–	–	–	40 400	50 000	60 000
Finance charges	10 000	–	–	–	–	–	–	–	10 000	30 000	40 000
Materials and bulk purchases	402 215	–	–	–	–	–	19 042	19 042	421 257	498 138	559 264
Transfers and grants	16 000	–	–	–	–	–	(11 000)	(11 000)	5 000	19 816	25 512
Other expenditure	437 941	–	–	–	–	–	(15 486)	(15 486)	422 456	446 824	480 752
Total Expenditure	1 219 454	–	–	–	–	–	(7 444)	(7 444)	1 212 011	1 392 458	1 547 818
Surplus/(Deficit)	0	–	–	–	–	–	(0)	(0)	0	481	725
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	0	–	–	–	–	–	(0)	(0)	0	481	725
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	0	–	–	–	–	–	(0)	(0)	0	481	725
Capital expenditure & funds sources											
Capital expenditure	221 956	–	–	–	–	–	25 450	25 450	247 406	251 378	279 911
Transfers recognised - capital	221 956	–	–	–	–	–	15 450	15 450	237 406	35 700	47 000
Public contributions & donations	–	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	10 000	10 000	10 000	215 678	232 911
Total sources of capital funds	221 956	–	–	–	–	–	25 450	25 450	247 406	251 378	279 911
Financial position											
Total current assets	354 615	–	–	–	–	–	–	–	354 615	355 469	356 169
Total non current assets	1 827 719	–	–	–	–	–	–	–	1 827 719	1 868 946	1 914 769
Total current liabilities	227 550	–	–	–	–	–	–	–	227 550	226 130	225 130
Total non current liabilities	740 000	–	–	–	–	–	–	–	740 000	806 600	789 690
Community wealth/Equity	1 214 784	–	–	–	–	–	–	–	1 214 784	1 191 685	1 256 118
Cash flows											

Net cash from (used) operating	227 166	-	-	-	-	-	-	-	227 166	273 601	380 760
Net cash from (used) investing	(161 856)	-	-	-	-	-	(25 450)	(25 450)	(187 306)	(191 117)	(218 911)
Net cash from (used) financing	(22 711)	-	-	-	-	-	-	-	(22 711)	(34 011)	(44 162)
Cash/cash equivalents at the year end	95 758	-	-	-	-	-	(25 450)	(25 450)	70 308	48 473	117 687
<u>Cash backing/surplus reconciliation</u>											
Cash and investments available	113 315	-	-	-	-	-	-	-	113 315	123 832	133 932
Application of cash and investments	135 725	-	-	-	-	-	66 275	66 275	202 000	202 529	200 289
Balance - surplus (shortfall)	(22 410)	-	-	-	-	-	(66 275)	(66 275)	(88 685)	(78 697)	(66 357)
<u>Asset Management</u>											
Asset register summary (WDV)	1 700 000	-	-	-	-	-	-	-	1 700 000	1 740 000	1 785 000
Depreciation & asset impairment	40 400	-	-	-	-	-	-	-	40 400	50 000	60 000
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-	12 000
Repairs and Maintenance	36 215	-	-	-	-	-	5 892	5 892	42 107	53 138	74 964
<u>Free services</u>											
Cost of Free Basic Services provided	2 723	-	-	-	-	-	-	-	2 723	13 797	15 200
Revenue cost of free services provided	38 863	-	-	-	-	-	-	-	38 863	75 114	15 826
<u>Households below minimum service level</u>											
Water:	30	-	-	-	-	-	-	-	30	28	28
Sanitation/sewerage:	50	-	-	-	-	-	-	-	50	12	12
Energy:	-	-	-	-	-	-	-	-	-	30	30
Refuse:	29	-	-	-	-	-	-	-	29	119	119

1. Table B1 is a budget adjustment summary and provides a concise overview of Madibeng Local Municipality's budget adjustment from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected in the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing in the Cash Flow Budget
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing in the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations were not cash-backed. This has placed the municipality in a very vulnerable

financial position. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations.

- Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

(Table B2) – Adjustment Budget Financial Performance (revenue and expenditure by standard classification)

Standard Description	Ref	Budget Year 2013/14										Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H			
Revenue - Standard													
<i>Governance and administration</i>		669 048	-	-	-	-	-	948	948	669 996	805 738	920 267	
Executive and council		-	-	-	-	-	-	-	-	-	-	-	
Budget and treasury office		667 010	-	-	-	-	-	948	948	667 958	803 698	918 225	
Corporate services		2 038	-	-	-	-	-	-	-	2 038	2 040	2 042	
<i>Community and public safety</i>		16 535	-	-	-	-	-	(2 128)	(2 128)	14 408	14 839	17 882	
Community and social services		872	-	-	-	-	-	9	9	881	919	969	
Sport and recreation		85	-	-	-	-	-	16	16	101	89	94	
Public safety		14 033	-	-	-	-	-	(2 333)	(2 333)	11 700	12 191	15 060	
Housing		1 546	-	-	-	-	-	180	180	1 727	1 640	1 759	
Health		-	-	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-	-	
Planning and development		-	-	-	-	-	-	-	-	-	-	-	
Road transport		-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		533 841	-	-	-	-	-	(6 264)	(6 264)	527 577	572 332	610 361	
Electricity		386 699	-	-	-	-	-	2 355	2 355	389 054	416 119	448 605	
Water		96 653	-	-	-	-	-	(8 633)	(8 633)	88 020	103 612	105 990	
Waste water management		21 792	-	-	-	-	-	-	-	21 792	22 969	24 210	
Waste management		28 697	-	-	-	-	-	14	14	28 711	29 631	31 556	
<i>Other</i>		30	-	-	-	-	-	-	-	30	31	33	
Total Revenue - Standard	2	1 219 454	-	-	-	-	-	(7 444)	(7 444)	1 212 011	1 392 940	1 548 543	
Expenditure - Standard	-												
<i>Governance and administration</i>		453 435	-	-	-	-	-	(29 654)	(29 654)	423 781	498 894	569 179	
Executive and council		69 233	-	-	-	-	-	(1 083)	(1 083)	68 150	82 957	95 895	
Budget and treasury office		323 301	-	-	-	-	-	(25 828)	(25 828)	297 473	344 764	396 345	
Corporate services		60 900	-	-	-	-	-	(2 743)	(2 743)	58 158	71 173	76 939	
<i>Community and public safety</i>		139 846	-	-	-	-	-	18 793	18 793	158 639	155 830	173 100	

Community and social services	21 687	-	-	-	-	-	401	401	22 088	25 672	28 907
Sport and recreation	13 130	-	-	-	-	-	2 853	2 853	15 983	14 887	17 395
Public safety	70 137	-	-	-	-	-	14 107	14 107	84 244	78 727	85 967
Housing	26 901	-	-	-	-	-	1 529	1 529	28 431	29 190	32 011
Health	7 991	-	-	-	-	-	(98)	(98)	7 893	7 354	8 820
<i>Economic and environmental services</i>	48 282	-	-	-	-	-	(16 278)	(16 278)	32 005	62 233	80 242
Planning and development	-	-	-	-	-	-	-	-	-	-	-
Road transport	45 670	-	-	-	-	-	(16 285)	(16 285)	29 385	59 539	75 465
Environmental protection	2 612	-	-	-	-	-	7	7	2 619	2 694	4 777
<i>Trading services</i>	566 339	-	-	-	-	-	21 721	21 721	588 061	662 416	711 711
Electricity	366 941	-	-	-	-	-	8 668	8 668	375 608	433 827	473 796
Water	135 718	-	-	-	-	-	(91)	(91)	135 627	159 480	163 827
Waste water management	11 175	-	-	-	-	-	4 329	4 329	15 504	13 119	15 202
Waste management	52 506	-	-	-	-	-	8 815	8 815	61 321	55 991	58 886
<i>Other</i>	11 552	-	-	-	-	-	(2 026)	(2 026)	9 525	13 086	13 586
Total Expenditure - Standard	3	1 219 454	-	-	-	-	(7 444)	(7 444)	1 212 011	1 392 458	1 547 818
Surplus/ (Deficit) for the year		0	-	-	-	-	-	-	0	482	725

Vote Description <i>[Insert departmental structure etc]</i> R thousands	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
Revenue by Vote	1											
Vote 01 - Executive Council		-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Chief Operating Officer		-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate And Support Services		2 038	-	-	-	-	-	-	-	2 038	2 040	2 042
Vote 05 - Budget And Treasury Office		667 010	-	-	-	-	-	948	948	667 958	803 698	918 225
Vote 06 - Infrastructure And Technical Services		505 144	-	-	-	-	-	(6 278)	(6 278)	498 866	542 701	578 805
Vote 07 - Community Services		29 569	-	-	-	-	-	23	23	29 592	30 550	32 525
Vote 08 - Human Settlement		1 546	-	-	-	-	-	180	180	1 727	1 640	1 759
Vote 09 - Economic Dev,tourism & Agric		30	-	-	-	-	-	-	-	30	31	33
Vote 10 - Public Safety		14 117	-	-	-	-	-	(2 317)	(2 317)	11 800	12 280	15 154
Total Revenue by Vote	2	1 219 454	-	-	-	-	-	(7 444)	(7 444)	1 212 011	1 392 940	1 548 543
Expenditure by Vote	1											
Vote 01 - Executive Council		31 993	-	-	-	-	-	-	-	31 993	33 637	35 291
Vote 02 - Municipal Manager		34 994	-	-	-	-	-	(1 969)	(1 969)	33 024	46 959	58 011
Vote 03 - Chief Operating Officer		2 247	-	-	-	-	-	1 953	1 953	4 200	2 362	2 593
Vote 04 - Corporate And Support Services		60 900	-	-	-	-	-	(2 743)	(2 743)	58 158	71 173	76 939
Vote 05 - Budget And Treasury Office		323 301	-	-	-	-	-	(26 895)	(26 895)	296 406	344 764	396 345
Vote 06 - Infrastructure And Technical Services		545 351	-	-	-	-	-	10 637	10 637	555 988	646 107	703 913

Vote 07 - Community Services		90 957	-	-	-	-	-	(4 792)	(4 792)	86 165	104 213	116 947
Vote 08 - Human Settlement		26 901	-	-	-	-	-	1 529	1 529	28 431	29 190	32 011
Vote 09 - Economic Dev,tourism & Agric		11 552	-	-	-	-	-	(2 026)	(2 026)	9 525	13 086	13 586
Vote 10 - Public Safety		91 258	-	-	-	-	-	16 863	16 863	108 120	100 968	112 182
Total Expenditure by Vote	2	1 219 454	-	-	-	-	-	(7 443)	(7 443)	1 212 011	1 392 458	1 547 818
Surplus/ (Deficit) for the year	2	0	-	-	-	-	-	(0)	(0)	(0)	482	725

1. Table B2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue in this table excludes capital revenues and therefore will not balance to the operating revenue which includes capital transfers shown in Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is not the case, because the equitable share is not included in the revenue of the services. As already noted above, the tariffs of Madibeng Local Municipality is not cost reflective.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected under the Budget and Treasury office.

(Table B3) - Adjustment Budget Financial Performance (revenue and expenditure by municipal vote)

(Table B4) – Adjustment Budget Financial Performance (revenue and expenditure)

Description	Ref	Budget Year 2013/14										Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H			
<u>Revenue By Source</u>													
Property rates	2	251 231	-	-	-	-	-	-	-	251 231	328 670	346 418	
Property rates - penalties & collection charges										-	-		
Service charges - electricity revenue	2	383 677	-	-	-	-	-	-	-	383 677	413 671	446 025	
Service charges - water revenue	2	82 771	-	-	-	-	-	-	-	82 771	87 287	92 041	
Service charges - sanitation revenue	2	21 780	-	-	-	-	-	-	-	21 780	22 957	24 197	
Service charges - refuse revenue	2	23 845	-	-	-	-	-	-	-	23 845	25 121	26 466	
Service charges - other		-	-	-	-	-	-	372	372	372	-	-	
Rental of facilities and equipment		566	-	-	-	-	-	13	13	579	617	672	
Interest earned - external investments		10 304	-	-	-	-	-	-	-	10 304	10 839	11 355	
Interest earned - outstanding debtors		55 000	-	-	-	-	-	-	-	55 000	60 000	63 000	

Dividends received	-	-	-	-	-	-	-	-	-	-	-	-
Fines	525	-	-	-	-	-	-	66	66	591	553	583
Licences and permits	4 823	-	-	-	-	-	-	-	-	4 823	5 083	5 358
Agency services	6 000	-	-	-	-	-	-	-	-	6 000	6 324	6 665
Transfers recognised - operating	327 460	-	-	-	-	-	-	(11 050)	(11 050)	316 410	388 092	481 062
Other revenue	2	51 473	-	-	-	-	-	3 155	3 155	54 628	43 727	44 701
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue		1 219 454	-	-	-	-	-	(7 444)	(7 444)	1 212 011	1 392 940	1 548 543
Expenditure By Type												
Employee related costs	288 400	-	-	-	-	-	-	-	-	288 400	321 934	355 280
Remuneration of councillors	24 498	-	-	-	-	-	-	-	-	24 498	25 747	27 009
Debt impairment	185 000	-	-	-	-	-	-	-	-	185 000	220 000	250 000
Depreciation & asset impairment	40 400	-	-	-	-	-	-	-	-	40 400	50 000	60 000
Finance charges	10 000	-	-	-	-	-	-	-	-	10 000	30 000	40 000
Bulk purchases	366 000	-	-	-	-	-	-	12 500	12 500	378 500	445 000	484 300
Other materials	36 215	-	-	-	-	-	-	6 542	6 542	42 757	53 138	74 964
Contracted services	114 550	-	-	-	-	-	-	4 620	4 620	119 170	113 205	103 756
Transfers and grants	16 000	-	-	-	-	-	-	(11 000)	(11 000)	5 000	19 816	25 512
Other expenditure	138 391	-	-	-	-	-	-	(20 106)	(20 106)	118 286	113 619	126 996
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		1 219 454	-	-	-	-	-	(7 444)	(7 444)	1 212 011	1 392 458	1 547 818
Surplus/(Deficit)	0	-	-	-	-	-	-	(0)	(0)	0	481	725
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation	0	-	-	-	-	-	-	(0)	(0)	0	481	725
Taxation	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	0	-	-	-	-	-	-	(0)	(0)	0	481	725
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	0	-	-	-	-	-	-	(0)	(0)	0	481	725
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	0	-	-	-	-	-	-	(0)	(0)	0	481	725

1. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue base of the Madibeng Local Municipality.
2. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government.

3. Employee related costs, bulk purchases and Contracted Services are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

(Table B5) – Adjustment Budget Capital Expenditure by vote, standard classification and funding source

Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Capital expenditure - Vote												
<u>Multi-year expenditure to be adjusted</u>	2											
Vote 01 - Executive Council		-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Chief Operating Officer		-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate And Support Services		-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Budget And Treasury Office		-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Infrastructure And Technical Services		-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Community Services		-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Human Settlement		-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Economic Dev,tourism & Agric		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
<u>Single-year expenditure to be adjusted</u>	2											
Vote 01 - Executive Council		-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	134	134	134	-	-
Vote 03 - Chief Operating Officer		-	-	-	-	-	-	22	22	22	-	-
Vote 04 - Corporate And Support Services		-	-	-	-	-	-	120	120	120	-	-
Vote 05 - Budget And Treasury Office		-	-	-	-	-	-	1 010	1 010	1 010	-	-
Vote 06 - Infrastructure And Technical Services		149 156	-	-	-	-	-	3 167	3 167	152 323	229 678	279 911
Vote 07 - Community Services		23 000	-	-	-	-	-	5 450	5 450	28 450	17 000	-
Vote 08 - Human Settlement		-	-	-	-	-	-	128	128	128	-	-
Vote 09 - Economic Dev,tourism & Agric		-	-	-	-	-	-	1 800	1 800	1 800	-	-
Vote 10 - Public Safety		49 800	-	-	-	-	-	13 618	13 618	63 418	4 700	-
Capital single-year expenditure sub-total		221 956	-	-	-	-	-	25 450	25 450	247 406	251 378	279 911
Total Capital Expenditure - Vote		221 956	-	-	-	-	-	25 450	25 450	247 406	251 378	279 911
Capital Expenditure - Standard												
<i>Governance and administration</i>		-	-	-	-	-	-	1 287	1 287	1 287	-	-
Executive and council		-	-	-	-	-	-	236	236	236	-	-
Budget and treasury office		-	-	-	-	-	-	930	930	930	-	-
Corporate services		-	-	-	-	-	-	120	120	120	-	-
<i>Community and public safety</i>		62 300	-	-	-	-	-	15 496	15 496	77 796	7 700	-
Community and social services		12 500	-	-	-	-	-	4 750	4 750	17 250	3 000	-
Sport and recreation		28 450	-	-	-	-	-	2 856	2 856	31 306	4 700	-
Public safety		21 350	-	-	-	-	-	7 582	7 582	28 932	-	-
Housing		-	-	-	-	-	-	128	128	128	-	-
Health		-	-	-	-	-	-	180	180	180	-	-
<i>Economic and environmental services</i>		57 050	-	-	-	-	-	1 100	1 100	58 150	88 500	101 500

Planning and development	-	-	-	-	-	-	-	-	-	-	-	-
Road transport	57 050	-	-	-	-	-	-	1 100	1 100	58 150	88 500	101 500
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	102 606	-	-	-	-	-	-	5 767	5 767	108 373	155 178	178 411
Electricity	3 000	-	-	-	-	-	-	7 500	7 500	10 500	14 000	35 000
Water	58 606	-	-	-	-	-	-	3 694	3 694	62 300	82 178	98 411
Waste water management	30 500	-	-	-	-	-	-	(9 127)	(9 127)	21 373	45 000	45 000
Waste management	10 500	-	-	-	-	-	-	3 700	3 700	14 200	14 000	-
<i>Other</i>	-	-	-	-	-	-	-	1 800	1 800	1 800	-	-
Total Capital Expenditure - Standard	3	221 956	-	-	-	-	-	25 450	25 450	247 406	251 378	279 911
Funded by:												
National Government		221 956	-	-	-	-	-	8 650	8 650	230 606	35 700	47 000
Provincial Government		-	-	-	-	-	-	6 800	6 800	6 800	-	-
District Municipality								-	-			
Other transfers and grants								-	-			
Total Capital transfers recognised	4	221 956	-	-	-	-	-	15 450	15 450	237 406	35 700	47 000
Public contributions & donations								-	-			
Borrowing								-	-			
Internally generated funds								10 000	10 000	10 000	215 678	232 911
Total Capital Funding		221 956	-	-	-	-	-	25 450	25 450	247 406	251 378	279 911

1. Table B5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

(Table B6) – Adjustment Budget Financial Position

Description	Ref	Budget Year 2013/14										Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adju- sted	Accum. Funds	Multi- year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adju- sts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
		R thousands	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
ASSETS													
Current assets													
Cash		40 000	-	-	-	-	-	-	-	40 000	45 000	50 000	
Call investment deposits	1	50 000	-	-	-	-	-	-	-	50 000	55 000	60 000	
Consumer debtors	1	250 900	-	-	-	-	-	-	-	250 900	241 000	231 500	
Other debtors		7 385	-	-	-	-	-	-	-	7 385	7 791	7 791	
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-	-	
Inventory		6 330	-	-	-	-	-	-	-	6 330	6 678	6 878	
Total current assets		354 615	-	-	-	-	-	-	-	354 615	355 469	356 169	
Non current assets													
Long-term receivables		-	-	-	-	-	-	-	-	-	-	-	
Investments		23 315	-	-	-	-	-	-	-	23 315	23 832	23 932	
Investment property		92 000	-	-	-	-	-	-	-	92 000	92 500	93 000	
Investment in Associate		-	-	-	-	-	-	-	-	-	-	-	
Property, plant and equipment	1	1 700 000	-	-	-	-	-	-	-	1 700 000	1 740 000	1 785 000	
Agricultural													
Biological													

Intangible										-	-		
Other non-current assets		12 404	-	-	-	-	-	-	-	-	12 404	12 614	12 837
Total non current assets		1 827 719	-	-	-	-	-	-	-	-	1 827 719	1 868 946	1 914 769
TOTAL ASSETS		2 182 334	-	-	-	-	-	-	-	-	2 182 334	2 224 415	2 270 938
LIABILITIES													
Current liabilities	-												
Bank overdraft										-	-		
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-
Consumer deposits		25 550	-	-	-	-	-	-	-	-	25 550	26 130	27 130
Trade and other payables		202 000	-	-	-	-	-	-	-	-	202 000	200 000	198 000
Provisions										-	-		
Total current liabilities		227 550	-	-	-	-	-	-	-	-	227 550	226 130	225 130
Non current liabilities													
Borrowing	1	640 000	-	-	-	-	-	-	-	-	640 000	705 000	770 000
Provisions	1	100 000	-	-	-	-	-	-	-	-	100 000	101 600	19 690
Total non current liabilities		740 000	-	-	-	-	-	-	-	-	740 000	806 600	789 690
TOTAL LIABILITIES		967 550	-	-	-	-	-	-	-	-	967 550	1 032 730	1 014 820
NET ASSETS	2	1 214 784	-	-	-	-	-	-	-	-	1 214 784	1 191 685	1 256 118
COMMUNITY WEALTH/EQUITY													
Accumulated Surplus/(Deficit)		1 214 784	-	-	-	-	-	-	-	-	1 214 784	1 191 685	1 256 118
Reserves		-	-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		1 214 784	-	-	-	-	-	-	-	-	1 214 784	1 191 685	1 256 118

1. Table B6 is consistent with international standards of good financial management practice, and improves understandability for councillors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth or Equity. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, and appears first.

(Table B7) Adjustment Budget Cash Flow

Description R thousands	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi- year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Ratepayers and other		661 500	-	-	-	-	-	-	-	661 500	750 750	850 250
Government - operating	1	327 460	-	-	-	-	-	-	-	327 460	388 092	481 062
Government - capital	1	221 956	-	-	-	-	-	-	-	221 956	251 378	279 911
Interest		10 304	-	-	-	-	-	-	-	10 304	5 839	7 355
Dividends		-	-	-	-	-	-	-	-	-	-	-
Payments												
Suppliers and employees		(968 054)	-	-	-	-	-	-	-	(968 054)	(1 072 642)	(1 172 306)
Finance charges		(10 000)	-	-	-	-	-	-	-	(10 000)	(30 000)	(40 000)
Transfers and Grants	1	(16 000)	-	-	-	-	-	-	-	(16 000)	(19 816)	(25 512)
NET CASH FROM/(USED)		227 166	-	-	-	-	-	-	-	227 166	273 601	380 760

OPERATING ACTIVITIES												
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE												
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		60 100	-	-	-	-	-	-	-	60 100	60 261	61 000
Payments		(221 956)		-	-	-	-	(25 450)	(25 450)	(247 406)	(251 378)	(279 911)
Capital assets												
NET CASH FROM/(USED) INVESTING ACTIVITIES		(161 856)	-	-	-	-	-	(25 450)	(25 450)	(187 306)	(191 117)	(218 911)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans												
Borrowing long term/refinancing												
Increase (decrease) in consumer deposits		(8 968)	-	-	-	-	-	-	-	(8 968)	(9 461)	(9 961)
Payments		(13 743)	-	-	-	-	-	-	-	(13 743)	(24 550)	(34 201)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(22 711)	-	-	-	-	-	-	-	(22 711)	(34 011)	(44 162)
NET INCREASE/ (DECREASE) IN CASH HELD		42 599	-	-	-	-	-	(25 450)	(25 450)	17 149	48 473	117 687
Cash/cash equivalents at the year begin:	2	53 159	-							53 159	-	-
Cash/cash equivalents at the year end:	2	95 758	-	-	-	-	-	(25 450)	-	70 308	48 473	117 687

- Table B7 provides a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
- The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

(Table B8) - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<u>Cash and investments available</u> Cash/cash equivalents at the year end	1	95 758	-	-	-	-	-	(25 450)	(25 450)	70 308	48 473	117 687

Other current investments > 90 days		(5 758)	-	-	-	-	-	25 450	25 450	19 692	51 527	(7 687)
Non current assets - Investments	1	23 315	-	-	-	-	-	-	-	23 315	23 832	23 932
Cash and investments available:		113 315	-	-	-	-	-	-	-	113 315	123 832	133 932
<u>Applications of cash and investments</u>												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing										-	-	
Statutory requirements										-	-	
Other working capital requirements	2	135 725	-	-	-	-	-	66 275	66 275	202 000	202 529	200 289
Other provisions										-	-	
Long term investments committed Reserves to be backed by cash/investments		-	-					-	-	-	-	-
Total Application of cash and investments:		135 725	-	-	-	-	-	66 275	66 275	202 000	202 529	200 289
Surplus(shortfall)		(22 410)	-	-	-	-	-	(66 275)	(66 275)	(88 685)	(78 697)	(66 357)

1. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
2. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
3. Non-compliance with section 28 of the MFMA is assumed because a shortfall would indirectly indicate that the adjustment budget is not appropriately funded.

(Table B9) Asset Management

Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	221 956	-	-	-	-	-	20 083	20 083	242 039	251 378	267 911
Infrastructure - Road transport		57 050	-	-	-	-	-	1 100	1 100	58 150	88 500	89 500
Infrastructure - Electricity		3 000	-	-	-	-	-	5 700	5 700	8 700	14 000	35 000
Infrastructure - Water		89 106	-	-	-	-	-	(5 433)	(5 433)	83 673	127 178	143 411
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		9 000	-	-	-	-	-	5 800	5 800	14 800	14 000	-
Infrastructure		158 156	-	-	-	-	-	7 167	7 167	165 323	243 678	267 911
Community		63 800	-	-	-	-	-	9 633	9 633	73 433	7 700	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	3 283	3 283	3 283	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-

Total Renewal of Existing Assets to be adjusted	2	-	-	-	-	-	-	-	-	-	-	-	12 000
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-
Community	-	-	-	-	-	-	-	-	-	-	-	-	12 000
Heritage assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-	-	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	4												
Infrastructure - Road transport	57 050	-	-	-	-	-	-	1 100	1 100	58 150	88 500	89 500	
Infrastructure - Electricity	3 000	-	-	-	-	-	-	5 700	5 700	8 700	14 000	35 000	
Infrastructure - Water	89 106	-	-	-	-	-	-	(5 433)	(5 433)	83 673	127 178	143 411	
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure - Other	9 000	-	-	-	-	-	-	5 800	5 800	14 800	14 000	-	
Infrastructure	158 156	-	-	-	-	-	-	7 167	7 167	165 323	243 678	267 911	
Community	63 800	-	-	-	-	-	-	9 633	9 633	73 433	7 700	12 000	
Heritage assets	-	-	-	-	-	-	-	-	-	-	-	-	
Investment properties	-	-	-	-	-	-	-	-	-	-	-	-	
Other assets	-	-	-	-	-	-	-	3 283	3 283	3 283	-	-	
Agricultural Assets	-	-	-	-	-	-	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	-	-	-	-	-	-	
Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL CAPITAL EXPENDITURE to be adjusted	2	221 956	-	-	-	-	-	20 083	20 083	242 039	251 378	279 911	
ASSET REGISTER SUMMARY - PPE (WDV)	5												
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure - Water	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure - Other	1 382 979	-	-	-	-	-	-	-	-	1 382 979	1 422 979	1 467 979	
Infrastructure	1 382 979	-	-	-	-	-	-	-	-	1 382 979	1 422 979	1 467 979	
Community	227 215	-	-	-	-	-	-	-	-	227 215	227 215	227 215	
Heritage assets	10	-	-	-	-	-	-	-	-	10	10	10	
Investment properties	-	-	-	-	-	-	-	-	-	-	-	-	
Other assets	89 796	-	-	-	-	-	-	-	-	89 796	89 796	89 796	
Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	
Agricultural Assets	-	-	-	-	-	-	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 700 000	-	-	-	-	-	-	-	1 700 000	1 740 000	1 785 000	
EXPENDITURE OTHER ITEMS													

<u>Depreciation & asset impairment</u>		40 400	-	-	-	-	-	-	40 400	50 000	60 000
<u>Repairs and Maintenance by asset class</u>		36 215	-	-	-	-	-	5 892	5 892	42 107	53 138
<i>Infrastructure - Road transport</i>	3	5 550	-	-	-	-	-	1 450	1 450	7 000	10 273
<i>Infrastructure - Electricity</i>		12 500	-	-	-	-	-	1 500	1 500	14 000	16 500
<i>Infrastructure - Water</i>		3 600	-	-	-	-	-	990	990	4 590	4 892
<i>Infrastructure - Sanitation</i>		2 000	-	-	-	-	-	1 000	1 000	3 000	2 420
<i>Infrastructure - Other</i>		700	-	-	-	-	-	(60)	(60)	640	705
<i>Infrastructure</i>		24 350	-	-	-	-	-	4 880	4 880	29 230	34 791
<i>Community</i>		2 400	-	-	-	-	-	-	-	2 400	2 522
<i>Heritage assets</i>		-	-	-	-	-	-	-	-	-	-
<i>Investment properties</i>		-	-	-	-	-	-	-	-	-	-
<i>Other assets</i>	6	9 465	-	-	-	-	-	1 012	1 012	10 477	15 825
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		76 615	-	-	-	-	-	5 892	5 892	82 507	103 138
<i>% of capital exp on renewal of assets</i>		0.0%	0.0%							0.0%	0.0%
<i>Renewal of existing assets as % of deprecn</i>		0.0%	0.0%							0.0%	0.0%
<i>R&M as a % of PPE</i>		2.1%	0.0%							2.5%	3.1%
<i>Renewal and R&M as a % of PPE</i>		2.1%	0.0%							2.5%	3.1%

(Table B10) Basic Service delivery measurement

Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7	8	9	10	11	12	13	14		
<u>Household service targets (000)</u>	1											
	Water:											
		71	-	-	-	-	-	0	-	71	35662	35662
		50	-	-	-	-	-	0	-	50	73520	73520
	2	5	-	-	-	-	-	0	-	5	4880	4880
		125	-	-	-	-	-	-	-	125	114	114
	3	30	-	-	-	-	-	0	-	30	27600	27600
	3,4											
		30	-	-	-	-	-	-	-	30	28	28
	5	154	-	-	-	-	-	-	-	154	142	142
<u>Sanitation/sewage:</u>												

		Flush toilet (connected to sewerage)	44 405	-	-	-	-	-	-	44 405	44 405	44 405
		Flush toilet (with septic tank)	2 444	-	-	-	-	-	-	2 444	2 444	2 444
		Chemical toilet										
		Pit toilet (ventilated)	11 735	-	-	-	-	-	-	11 735	11 735	11 735
		Other toilet provisions (> min.service level)	37 123	-	-	-	-	-	-	37 123	37 123	37 123
		<i>Minimum Service Level and Above sub-total</i>	95 707	-	-	-	-	-	-	95 707	95 707	95 707
		Bucket toilet	50 000	-	-	-	-	-	-	50 000	3 049	3 049
		Other toilet provisions (< min.service level)										
		No toilet provisions	-	-	-	-	-	-	-	-	9 321	9 321
		<i>Below Minimum Servic Level sub-total</i>	50 000	-	-	-	-	-	-	50 000	12 370	12 370
	5	Total number of households	145 707	-	-	-	-	-	-	145 707	108 077	108 077
		<u>Energy:</u>										
		Electricity (at least min. service level)	65 000	-	-	-	-	-	-	65 000	65 000	65 000
		Electricity - prepaid (> min.service level)	45 000	-	-	-	-	-	-	45 000	-	-
		<i>Minimum Service Level and Above sub-total</i>	110 000	-	-	-	-	-	-	110 000	65 000	65 000
		Electricity (< min.service level)										
		Electricity - prepaid (< min. service level)										
		Other energy sources	-	-	-	-	-	-	-	-	29 983	29 983
		<i>Below Minimum Servic Level sub-total</i>	-	-	-	-	-	-	-	-	29 983	29 983
	5	Total number of households	110 000	-	-	-	-	-	-	110 000	94 983	94 983
		<u>Refuse:</u>										
		Removed at least once a week (min.service)	47 506	-	-	-	-	-	-	47 506	41 364	41 364
		<i>Minimum Service Level and Above sub-total</i>	47 506	-	-	-	-	-	-	47 506	41 364	41 364
		Removed less frequently than once a week	29 374	-	-	-	-	-	-	29 374	2 100	2 100
		Using communal refuse dump	-	-	-	-	-	-	-	-	4 553	4 553
		Using own refuse dump	-	-	-	-	-	-	-	-	96 144	96 144
		Other rubbish disposal	-	-	-	-	-	-	-	-	1 736	1 736
		No rubbish disposal	-	-	-	-	-	-	-	-	14 800	14 800
		<i>Below Minimum Servic Level sub-total</i>	29 374	-	-	-	-	-	-	29 374	119 333	119 333
	5	Total number of households	76 880	-	-	-	-	-	-	76 880	160 697	160 697
		<u>Households receiving Free Basic Service</u>										
	15	Water (6 kilolitres per household per month)	28 901	-	-	-	-	-	-	28 901	6 000	6 500
		Sanitation (free minimum level service)	5 433	-	-	-	-	-	-	5 433	6 000	6 500
		Electricity/other energy (50kwh per household per month)	21 000	-	-	-	-	-	-	21 000	6 000	6 500
		Refuse (removed at least once a week)	5 433	-	-	-	-	-	-	5 433	6 000	6 500
		<u>Cost of Free Basic Services provided (R'000)</u>										
	16	Water (6 kilolitres per household per month)	957	-	-	-	-	-	-	957	469	545

		65	-	-	-	-	-	-	-	65	175	200
		65	-	-	-	-	-	-	-	65	10 188	11 070
		1 636	-	-	-	-	-	-	-	1 636	2 965	3 385
		2 723	-	-	-	-	-	-	-	2 723	13 797	15 200
	Highest level of free service provided											
	Property rates (R'000 value threshold)									-	-	
	Water (kilolitres per household per month)									-	-	
	Sanitation (kilolitres per household per month)									-	-	
	Sanitation (Rand per household per month)									-	-	
	Electricity (kw per household per month)									-	-	
	Refuse (average litres per week)									-	-	
	Revenue cost of free services provided (R'000)	17										
	Property rates (R15 000 threshold rebate)		-	-	-	-	-	-	-	-	717	717
	Property rates (other exemptions, reductions and rebates)		29 700	-	-	-	-	-	-	29 700	60 600	-
	Water		5 727	-	-	-	-	-	-	5 727	469	454
	Sanitation		1 636	-	-	-	-	-	-	1 636	175	200
	Electricity/other energy		1 636	-	-	-	-	-	-	1 636	10 188	11 070
	Refuse		164	-	-	-	-	-	-	164	2 965	3 385
	Municipal Housing - rental rebates									-	-	
	Housing - top structure subsidies									-	-	
	Other									-	-	
	Total revenue cost of free services provided (total social package)		38 863	-	-	-	-	-	-	38 863	75 114	15 826

PART 2 - SUPPORTING DOCUMENTATION

6. ADJUSTMENT TO BUDGET ASSUMPTIONS

This section of the adjustment budget report provides a summary of all principle and assumptions underlying the preparation of the adjustment budget and its proposals. Adjustment Budgets are prepared in an environment of uncertainty and certain principles and assumptions need to be made about both internal and external factors that could impact on the budget during the course of the financial year.

6.1 External factors: General inflation outlook and its impact on the municipal activities,

- I. Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Madibeng Municipality's finances.
- II. The Council is committed to stringent budgeting policies and parameter through a budget that seeks to strike a balance between the development challenges of the poor areas and the need to maintain their infrastructure in established areas. The Council is also committed to ensuring that consultation on the budget take place as widely as possible and to achieve balanced budgets on an affordable basis now and in the future.
- III. The Council is further committed to levying affordable tariffs.
- IV. Debtors revenue is assumed to increase at a rate that is influenced by the consumer debtors collection rate, tariff/rate pricing, real growth rate of the Madibeng Local Municipality, household formation growth rate and the poor household change rate.

6.2 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

7 . ADJUSTMENT TO BUDGET FUNDING

4. Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the adjustment budget statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA.

NW372 Madibeng - Supporting Table SB6 Adjustments Budget - funding measurement -

Description R thousands	Ref	MFMA section	2010/11	2011/12	2012/13	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2014/15	Budget Year +2 2015/16
Funding measures										
Cash/cash equivalents at the year end - R'000	1	18(1)b	173 093	229 310	43 388	95 758	-	70 308	48 473	117 687
Cash + investments at the yr end less applications - R'000	2	18(1)b	128 695	(41 090)	-	(22 410)	-	(88 685)	(78 697)	(66 357)
Cash year end/monthly employee/supplier payments	3	18(1)b	0	0	0	0	-	0	0	0
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)	(25 409)	(235 368) 8.1%	52 630 -27.5%	9471.4%	0.0%	0	481 9476.1%	725 8.9% 0.5%
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)	0.020171613	141.0%	54.5%	0.0%	25.7%	0.0%	0.0%	-1.0%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)		21.1%	18.2%	0.0%	24.2%	0.0%	24.2%	25.0%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)		0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	8	18(1)c;19		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a		3.1%	19.8%	-100.0%	0.0%	0.0%	-3.7%	-3.8%
Current consumer debtors % change - incr(decr)	11	18(1)a		-0.7%	-0.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Long term receivables % change - incr(decr)	12	18(1)a		-0.9%	-1.0%	0.0%	2.1%	0.0%	2.5%	3.1%
R&M % of Property Plant & Equipment	13	20(1)(vi)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.2%
Asset renewal % of capital budget	14	20(1)(vi)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.3%

8. ADJUSTMENT TO EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMME

NW372 Madibeng - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

Description	Ref	Budget Year 2013/14							Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F		
RECEIPTS:	1, 2									
- <u>Operating Transfers and Grants</u>										
National Government:		325 060	-	-	-	(8 650)	(8 650)	316 410	388 092	478 739
Epwp Incentive		-	-	-	-	-	-	-	-	-
Water Services Operating Subsidy		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme		-	-	-	-	-	-	-	-	-
Equitable Share		308 470	-	-	-	-	-	308 470	369 058	462 097
Lgseta		2 000	-	-	-	-	-	2 000	2 000	2 000
Local Government Financial Management Grant		1 550	-	-	-	-	-	1 550	1 600	1 650
Municipal Infrastructure Grant		3 500	-	-	-	-	-	3 500	3 500	3 500
Municipal System Improvement Grant		890	-	-	-	-	-	890	934	967
Water: Dora Grant		8 650	-	-	-	(8 650)	(8 650)	-	11 000	8 525
Provincial Government:		2 400	-	-	-	(2 400)	(2 400)	-	-	2 323
Health Subsidy		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Sport And Recreation		-	-	-	-	-	-	-	-	-
Fire And Emergency Grant In Aid		2 400	-	-	-	(2 400)	(2 400)	-	-	2 323
Library Nwpg C/Building Grant		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers:										
Total Operating Transfers and Grants	6									
Capital Transfers and Grants										
National Government:		222 529	-	-	-	8 650	8 650	231 179	-	-
Current Year Receipts		222 529	-	-	-	8 650	8 650	231 179	-	-
Provincial Government:		-	-	-	-	6 800	6 800	6 800	-	-
Current Year Receipts		-	-	-	-	6 800	6 800	6 800	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	6	222 529	-	-	-	15 450	15 450	237 979	-	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS										

9. ADJUSTMENT TO ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
<u>Cash transfers to other municipalities</u>											-	-
TOTAL ALLOCATIONS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-	-	-
<u>Cash transfers to Entities/Other External Mechanisms</u>											-	-
TOTAL ALLOCATIONS TO ENTITIES/EMs'		-	-	-	-	-	-	-	-	-	-	-
<u>Cash transfers to other Organs of State</u>											-	-
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:		-	-	-	-	-	-	-	-	-	-	-
<u>Cash transfers to other Organisations</u>											-	-
Grant: Section 78		-	-	-	-	-	-	-	-	-	-	-
Assistance To Indigents		11 000	-	-	-	-	-	(11 000)	(11 000)	-	14 561	20 000
Assistance To Rural Areas (Water)		5 000	-	-	-	-	-	-	-	5 000	5 255	5 512
TOTAL CASH TRANSFERS TO OTHER ORGANISATIONS:		16 000	-	-	-	-	-	(11 000)	(11 000)	5 000	19 816	25 512
TOTAL CASH TRANSFERS	5	16 000	-	-	-	-	-	(11 000)	(11 000)	5 000	19 816	25 512
<u>Non-cash transfers to other municipalities</u>										-	-	-
TOTAL ALLOCATIONS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-	-	-
<u>Non-cash transfers to Entities/Other External Mechanisms</u>										-	-	-
TOTAL ALLOCATIONS TO ENTITIES/EMs'		-	-	-	-	-	-	-	-	-	-	-
<u>Non-cash transfers to other Organs of State</u>										-	-	-
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:		-	-	-	-	-	-	-	-	-	-	-

10. ADJUSTMENT TO COUNCILLOR ALLOWANCES AND EMPLOYEES BENEFITS

NW372 Madibeng - Supporting Table SB11 Adjustments Budget - councillor and staff benefits -

Summary of remuneration	Ref	Budget Year 2013/14									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
<u>Councillors (Political Office Bearers plus Other)</u>											
Basic Salaries and Wages		16 162	-	-	-	-	-	-	-	16 162	0.0%
Pension and UIF Contributions		1 650	-	-	-	-	-	-	-	1 650	0.0%
Medical Aid Contributions		577	-	-	-	-	-	-	-	577	0.0%
Motor Vehicle Allowance		5 019	-	-	-	-	-	-	-	5 019	0.0%
Cellphone Allowance		1 090	-	-	-	-	-	-	-	1 090	
Housing Allowances		-	-	-	-	-	-	-	-	-	
Other benefits and allowances		-	-	-	-	-	-	-	-	-	
Sub Total - Councillors		24 498	-			-		-	-	24 498	0.0%
% increase			(0)								
<u>Senior Managers of the Municipality</u>											
Basic Salaries and Wages		5 184	-	-	-	-	-	-	-	5 184	0.0%
Pension and UIF Contributions		1 010	-	-	-	-	-	-	-	1 010	0.0%
Medical Aid Contributions		285	-	-	-	-	-	-	-	285	0.0%
Overtime		-	-	-	-	-	-	-	-	-	
Performance Bonus		-	-	-	-	-	-	-	-	-	
Motor Vehicle Allowance		45	-	-	-	-	-	-	-	45	0.0%
Cellphone Allowance		70	-	-	-	-	-	-	-	70	0.0%
Housing Allowances		389	-	-	-	-	-	-	-	389	
Other benefits and allowances		-	-	-	-	-	-	-	-	-	
Payments in lieu of leave		-	-	-	-	-	-	-	-	-	
Long service awards		-	-	-	-	-	-	-	-	-	
Post-retirement benefit obligations	5	-	-	-	-	-	-	-	-	-	
Sub Total - Senior Managers of Municipality	5	6 983	-	-		-		-	-	6 983	0.0%
% increase	5		(0)								
<u>Other Municipal Staff</u>											
Basic Salaries and Wages		206 715	-	-	-	-	-	-	-	206 715	0.0%
Pension and UIF Contributions		28 237	-	-	-	-	-	-	-	28 237	0.0%
Medical Aid Contributions		14 123	-	-	-	-	-	-	-	14 123	0.0%
Overtime		16 745	-	-	-	-	-	-	-	16 745	0.0%
Performance Bonus		-	-	-	-	-	-	-	-	-	
Motor Vehicle Allowance		11 178	-	-	-	-	-	-	-	11 178	0.0%
Cellphone Allowance		150	-	-	-	-	-	-	-	150	0.0%
Housing Allowances		818	-	-	-	-	-	-	-	818	
Other benefits and allowances		-	-	-	-	-	-	-	-	-	
Payments in lieu of leave		3 450	-	-	-	-	-	-	-	3 450	0.0%
Long service awards		-	-	-	-	-	-	-	-	-	
Post-retirement benefit obligations	5	-	-	-	-	-	-	-	-	-	
Sub Total - Other Municipal Staff	5	281 417	-	-	-	-	-	-	-	281 417	0.0%
% increase	5										

Total Parent Municipality		312 898	-	-	-	-	-	-	-	312 898	0.0%
<u>Board Members of Entities</u>											
Basic Salaries and Wages										-	-
Pension and UIF Contributions										-	-
Medical Aid Contributions										-	-
Overtime										-	-
Performance Bonus										-	-
Motor Vehicle Allowance										-	-
Cellphone Allowance										-	-
Housing Allowances										-	-
Other benefits and allowances										-	-
Board Fees										-	-
Payments in lieu of leave										-	-
Long service awards										-	-
Post-retirement benefit obligations										-	-
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-	-
% increase											
<u>Senior Managers of Entities</u>											
Basic Salaries and Wages										-	-
Pension and UIF Contributions										-	-
Medical Aid Contributions										-	-
Overtime										-	-
Performance Bonus										-	-
Motor Vehicle Allowance										-	-
Cellphone Allowance										-	-
Housing Allowances										-	-
Other benefits and allowances										-	-
Payments in lieu of leave										-	-
Long service awards										-	-
Post-retirement benefit obligations										-	-
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-	-
% increase											
<u>Other Staff of Entities</u>											
Basic Salaries and Wages										-	-
Pension and UIF Contributions										-	-
Medical Aid Contributions										-	-
Overtime										-	-
Performance Bonus										-	-
Motor Vehicle Allowance										-	-
Cellphone Allowance										-	-
Housing Allowances										-	-
Other benefits and allowances										-	-
Payments in lieu of leave										-	-
Long service awards										-	-
Post-retirement benefit obligations										-	-
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-	-
% increase											
Total Municipal Entities		-	-	-	-	-	-	-	-	-	-

COUNCILLOR ALLOWANCES, EMPLOYEE REMUNERATION & ENTITY REMUNERATION	312 898	-	-	-	-	-	-	-	312 898	0.0%
% increase										
TOTAL MANAGERS AND STAFF	288 400	-	-	-	-	-	-	-	288 400	0.0%

11. ADJUSTMENT TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

- **No changes**

12. ADJUSTMENT TO CAPITAL EXPENDITURE

The following table present details of Madibeng Local Municipality's capital programme ad projects affected by the adjustment budget.

(Table SB19) - Detailed capital adjustment budget per municipal vote

Description	Current Budget	YTD Movement	Balance	Adjustment	Adjusted Budget	Funding
INTERNAL FUNDING						
FURNITURE/OFF MACHINES/EQUIPMENT	2 000 000.00	701 404.41	1 298 595.59		2 000 000.00	internal funds
FLEET				3 000 000.00	3 000 000.00	internal funds
BRITS MUNICIPAL SUBSTATION				1 800 000.00	1 800 000.00	internal funds
TRANSFORMER	3 200 000.00	-	3 200 000.00		3 200 000.00	Insurance Claim
	5 200 000.00	701 404.41	4 498 595.59	4 800 000.00	10 000 000.00	
OTHER GRANT FUNDING						
RESEALING BRITS HARTBEEspoortdam ROADS	2 000 000.00	1 678 468.64	321 531.36		2 000 000.00	EPWP
ELECTRIFICATION OF 237 ERVEN :LETLHABILE	3 000 000.00	1 310 409.39	1 689 590.61		3 000 000.00	INEP
FIRE ENGINES	3 100 000.00	-	3 100 000.00		3 100 000.00	NWPG
DISASTER IT SYSTEM	1 500 000.00	986 263.00	1 500 000.00		1 500 000.00	NWPG
CARWASH	1 800 000.00	-	1 800 000.00		1 800 000.00	NWPG
REFURBISHMENT OF DWA NETWORKS	8 300 000.00	2 936 107.83	5 363 892.17	350 000.00	8 650 000.00	DWA
LETHABONG/MABOLOKA LIBRARY	400 000.00	286 813.94	113 186.06		400 000.00	NWPG
	20 100 000.00	7 198 062.80	13 888 200.20	350 000.00	20 450 000.00	
MIG FUNDING						
HEBON WASTE TRANSFER STATION	1 500 000.00	80 209.25	2 419 790.75	1 000 000.00	2 500 000.00	MIG
MADIDI MULTI-PURPOSE CENTRE	6 500 000.00	596 609.71	6 559 390.29	656 000.00	7 156 000.00	MIG
WARD 19 WASTE TRANSFER STATION(MMAKAU)	1 500 000.00	193 563.88	2 806 436.12	1 500 000.00	3 000 000.00	MIG
WATER SUPPLY SCHEME (BOREHOLES WARD 1)	4 000 000.00	-	4 000 000.00	-	4 000 000.00	MIG
MMAKAU WATER RETICULATION	-	1 944 820.49	55 179.51	2 000 000.00	2 000 000.00	MIG
KLIPGAT EXTENTION WATER SUPPLY	10 000 000.00	1 787 775.18	8 212 224.82	-	10 000 000.00	MIG
HEBON/ KGABALATSANE / ROVKVILLE WATER	42 606 000.00	23 087 750.70	9 712 249.30	-9 806 000.00	32 800 000.00	MIG
MABOLOKA/LETHLAKANEG ROAD	-	786 192.89	813 807.11	1 600 000.00	1 600 000.00	MIG
FAFUNG TO RASAI ROAD	10 000 000.00	3 110 883.30	6 889 116.70	-	10 000 000.00	MIG
CLUSTER ROADS (ALL WARDS)	11 500 000.00	2 617 421.86	7 382 578.14	-1 500 000.00	10 000 000.00	MIG
MOTHUTLUNG STORM WATER	5 000 000.00	586 782.09	4 413 217.91	-	5 000 000.00	MIG
LETLHABILE STORMWATER	5 000 000.00	-	5 000 000.00	-	5 000 000.00	MIG
OUKASIE TO ELANDSRAND CONNECTION ROAD	2 550 000.00	-	3 550 000.00	1 000 000.00	3 550 000.00	MIG
COMMUNITY HALL (WARD 1)	5 500 000.00	696 210.98	5 403 789.02	600 000.00	6 100 000.00	MIG
COMMUNITY HALL (WARD 17)	5 500 000.00	142 725.11	4 857 274.89	-500 000.00	5 000 000.00	MIG
COMMUNITY HALL (WARD 25)	5 500 000.00	-	5 500 000.00	-	5 500 000.00	MIG
NEW NORTHERN REG LANDFIL SITE / OSKRAAL	6 000 000.00	-	5 000 000.00	-1 000 000.00	5 000 000.00	MIG

RANKOTEA ROAD	5 000 000.00	2 991 794.40	2 008 205.60	-	5 000 000.00	MIG
OUKASI WASTE TRANSFER STATION	1 500 000.00	-	2 500 000.00	1 000 000.00	2 500 000.00	MIG
KGABALATSANE SPORTS FACILITY	4 500 000.00	391 946.85	4 308 053.15	200 000.00	4 700 000.00	MIG
JERICHO MULTI PURPOSE CENTRE	4 650 000.00	54 856.25	4 595 143.75	-	4 650 000.00	MIG
HEBRON COMMUNITY CENTRE	4 850 000.00	290 173.32	4 709 826.68	150 000.00	5 000 000.00	MIG
UPGRADING OF WARD 31 SPORTS FACILITY	-	-	2 000 000.00	2 000 000.00	2 000 000.00	MIG
DAMMONSVILLE UPGRADING OF SPORTS FACILIT	6 800 000.00	1 395 741.76	5 404 258.24	-	6 800 000.00	MIG
LETLHABILE FIRE STATION	-	1 103 157.40	296 842.60	1 400 000.00	1 400 000.00	MIG
BRITS DLTC(LEANERS CLASSROOM)	-	-	177 079.00	177 079.00	177 079.00	MIG
KLIPGAT SANITATION PROJECT	10 000 000.00	2 471 399.74	3 151 521.26	-4 377 079.00	5 622 921.00	MIG
RIETFONTEIN WASTE WATER TREATMENT WORKS	2 000 000.00	425 652.81	1 574 347.19	-	2 000 000.00	MIG
MOTHOTLUNG WASTE WATER TREATM WRKS REFUR	5 000 000.00	254 987.17	2 245 012.83	-2 500 000.00	2 500 000.00	MIG
LETLHABILE WASTE WATER TREATM WRKS REFUR	4 000 000.00	1 709 927.68	2 040 072.32	-250 000.00	3 750 000.00	MIG
BRITS SEWERAGE PLANT	8 500 000.00	3 771 648.06	3 728 351.94	-1 000 000.00	7 500 000.00	MIG
OUKSIE STORM WATER	5 000 000.00	1 433 101.13	3 566 898.87	-	5 000 000.00	MIG
HIGH MASS LIGHT ENEGERSING	-	-	2 500 000.00	2 500 000.00	2 500 000.00	MIG
HARTBEESPOORT LANDFIL SITE-MIG	-	-	1 200 000.00	1 200 000.00	1 200 000.00	MIG
SHAKUNG MULTIPURPOSE CENTRE-MIG	6 000 000.00	-	6 000 000.00	-	6 000 000.00	MIG
LETLHABILE CEMETRY	6 500 000.00	386 911.68	6 113 088.32	-	6 500 000.00	MIG
OUKASIES CEMETERIES UPGRADE-MIG	4 000 000.00	-	4 000 000.00	-	4 000 000.00	MIG
MAJAKANENG CEMETERY	2 000 000.00	409 554.43	3 090 445.57	1 500 000.00	3 500 000.00	MIG
SONOP CEMETERY UPGRADE	-	-	250 000.00	250 000.00	250 000.00	MIG
MABOLOKA ENVIRONS WATER SUPPLY-DWAF	2 000 000.00	672 804.49	4 527 195.51	3 200 000.00	5 200 000.00	MIG
KLIPGAT STORM WATER	6 000 000.00	475 756.34	5 524 243.66	-	6 000 000.00	MIG
MAKGABELWANE TO JERICHO ROAD	5 000 000.00	4 929 493.44	70 506.56	-	5 000 000.00	MIG
	215 956 000.00	58 799 852.39	158 156 147.61	1 000 000.00	216 956 000.00	
					247 406 000.00	

13. OTHER SUPPORTING DOCUMENTS

- Attached as Annexure

14. MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I _____, municipal manager of Madibeng Local Municipality, hereby certify that the adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustment budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name _____

Municipal Manager of Madibeng Local Municipality

Signature _____

Date _____